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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

_____	)	
SECURITIES INVESTOR PROTECTION	)	
CORPORATION,	)	Adv. Pro. No. 08-01789 (SMB)
	)	
Plaintiff-Applicant,	)	SIPA Liquidation
	)	
v.	)	(Substantively Consolidated)
	)	
BERNARD L. MADOFF INVESTMENT	)	
SECURITIES LLC,	)	
	)	
Defendant	)	
_____	)	
IN RE:	)	
	)	
BERNARD L. MADOFF,	)	
	)	
Debtor	)	
_____	)	

**RECOMMENDATION OF THE  
SECURITIES INVESTOR PROTECTION CORPORATION  
IN SUPPORT OF EIGHTH AND FINAL APPLICATION OF  
GREENFIELD STEIN & SENIOR LLP  
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Greenfield Stein & Senior LLP (“Greenfield” or “Counsel”), Special Counsel to Irving H. Picard, Esquire, as trustee (“Trustee”) for the substantively consolidated liquidation proceedings

of Bernard L. Madoff Investment Securities LLC (“BLMIS” or “Debtor”) and Bernard L. Madoff (“Madoff”), has filed its Eighth and Final Application (“Application”) for allowance of compensation and reimbursement of expenses under the Securities Investor Protection Act, 15 U.S.C. section 78aaa et seq. (“SIPA). Pursuant to section 5(b)(5)(C) of SIPA, 15 U.S.C. §78eee(b)(5)(C), SIPC submits this recommendation in support of the Application.

The grounds for this recommendation are as follows:

1. The Application involves the period from December 1, 2013 through June 10, 2014 (“Compensation Period”). As detailed in the Application, Greenfield rendered services to the administration of the estate during this time. The liquidation proceeding has progressed to a point where the Trustee has reviewed and issued determinations for almost all of the filed customer claims. The completion of administration will require Greenfield to assist the Trustee in (1) continuing with the marshaling and distribution of the assets of the estate; and (2) dealing with such other matters as it may be called upon to resolve.

2. SIPC, by its staff, has carefully evaluated the Application for compensation. This has included analyzing the detailed report of time spent and services rendered as set forth in the application and the exhibit thereto. The detailed report of services reflects a total of 10 hours expended by Counsel in the performance of its duties during the Compensation Period. In reviewing the Application, SIPC considered the requirements and standards for an application set forth in 15 U.S.C. §78eee(b)(5), the relevant sections of the Bankruptcy Code, and the Administrative Order re Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases. SIPC believes that the application substantially complies with the applicable law and this District’s Administrative Order.

3. Based upon an average discounted hourly rate of \$492.71, Counsel asserts the discounted reasonable value of its services is \$4,927.05. To reach this discounted amount, Counsel had agreed with SIPC to discount its normal billing rates by 10% which resulted in a voluntary reduction during the Compensation Period of \$547.45. Counsel has ceased to act as special counsel for the Trustee. Accordingly, Counsel seeks payment of the 20% holdback applied to its earlier fee applications in the amount of \$9,083.80. Thus, Counsel seeks payment of current fees and holdback totalling \$14,010.85.

4. Section 5(b)(5)(A) of SIPA, 15 U.S.C. §78eee(b)(5)(A), provides that the Court shall “grant reasonable compensation for services rendered... by a trustee, and by the attorney for such a trustee, in connection with a liquidation proceeding.” SIPA §5(b)(5)(C), 15 U.S.C. §78eee(b)(5)(C), sets forth the standard for the Court’s determination of applications for allowances of compensation and reimbursement in SIPA cases. The section provides:

Whenever an application for allowances is filed pursuant to subparagraph (B), SIPC shall file its recommendation with respect to such allowances with the court prior to the hearing on such application and shall, if it so requests, be allowed reasonable time after such hearing within which to file a further recommendation. In any case in which such allowances are to be paid by SIPC without reasonable expectation of recoupment thereof as provided in this chapter and there is no difference between the amounts requested and the amounts recommended by SIPC, the court shall award the amounts recommended by SIPC. In determining the amount of allowances in all other cases, the court shall give due consideration to the nature, extent, and value of the services rendered, and shall place considerable reliance on the recommendation of SIPC. [emphasis added].

5. In a SIPA proceeding, administrative costs and expenses, which include trustee and counsel fees and expenses, are to be borne by the general estate. SIPA §5(b)(5)(E), 15 U.S.C. §78eee(b)(5)(E). To the extent the estate is not sufficient, SIPC advances funds for their payment. SIPA §§5(b)(5)(E), 6(e), and 9(b)(2), 15 U.S.C. §§ 78eee(b)(5)(E), 78fff(e), and 78fff-3(b)(2).

6. In this case, the Court has been advised that the Trustee has “no reasonable expectation that the general estate will be sufficient to make any distribution to general creditors or pay any administrative expenses.” (Fifteenth Application of Trustee and Baker and Hostetler LLP at 71, ¶248.) Thus, any allowances for fees and expenses of Counsel will be paid by SIPC without any recoupment by SIPC. Furthermore, there is no difference between the amounts requested by Counsel and the amounts recommended by SIPC. Consequently, SIPC provides that this Court shall award Counsel the amounts recommended by SIPC.

7. SIPC supports the Application of Counsel for (i) fees in the amount of \$4,927.05 for services during the Compensation Period and (ii) payment of the 20% holdback applied to Counsel’s prior fee applications in the amount of \$9,083.80, for a combined total of \$14,010.85.

WHEREFORE, SIPC respectfully recommends that: (i) interim compensation in the amount of \$4,927.05 for services during the Compensation Period and (ii) payment of the holdback applied to Counsel’s prior fee applications in the amount of \$9,083.80, as sought by Counsel, be allowed.

Respectfully submitted,

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